



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Loesch
Jon Cicirelli

SUBJECT: SEE BELOW

DATE: February 12, 2024

Approved

Date

2/16/24

COUNCIL DISTRICT: 6

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 10277 - PARK:
THE BEAUTIFUL WAY (HANCHETT) PARK PROJECT**

RECOMMENDATION

- (a) Report on bids and award of a contract for the construction of 10277 - Park: The Beautiful Way (Hanchett) Park Project to the lowest responsive, responsible bidder Robert A. Bothman Inc., in the amount of \$1,365,991; and
- (b) Approve a 10% contingency in the amount of \$136,599.

SUMMARY AND OUTCOME

This memorandum summarizes the bids received and requests award of a construction contract for the 10277 - Park: The Beautiful Way (Hanchett) Park Project (Project).

Award of the construction contract to Robert A. Bothman Inc. will enable the Project to proceed into construction. Approval of a 10% contingency will provide funding for any unanticipated work necessary for the proper construction or completion of the Project.

BACKGROUND

The future 0.17-acre park site is located at 1343 The Alameda in the Shasta Hanchett Park neighborhood. The site is currently a parking lot at the corner of The Alameda and Hanchett Avenue (**Attachment – Location Map - 10277 - Park: The Beautiful Way (Hanchett) Park**). The City of San José (City) purchased the site on July 27, 2018, to develop a park and enhance public life within The Alameda Urban Village.

There are four existing neighborhood-serving parks within a three-fourths of a mile radius of the site: Theodore Lenzen Park, Cahill Park, Hester Park, and the Municipal Rose Garden. The existing parks offer a range of recreational amenities, including basketball courts, picnic areas with barbeques, large turf areas, and youth and tot lots. The Project park - Beautiful Way Park - is designed to include features that are not found in nearby parks.

The site will be developed into a pocket park. A pocket park is a small outdoor space defined as a space no more than one-fourth acre in size. The Project area is approximately 9,900 square feet, which includes off-site improvements for the adjacent sidewalk. The Project scope includes game tables, musical play elements, permeable pavers, site furnishings, fencing, shade structures, lighting, a pollinator garden, and landscape areas.

Construction is anticipated to begin in spring 2024 and be completed in fall 2024.

ANALYSIS

Bids were opened on December 7, 2023, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
QLM, Inc. (San José) <i>(non-responsive)</i>	\$1,317,659	(\$272,341)	(17)
ASG Builders (Mountain View) <i>(non-responsive)</i>	\$1,358,522	(\$231,478)	(15)
Robert A. Bothman, Inc. (Santa Clara)	\$1,365,991	(\$224,009)	(14)
Redgwick Construction Co. (Oakland) <i>(non-responsive)</i>	\$1,407,482	(\$182,518)	(11)
Guerra Construction Group (Santa Clara) <i>(non-responsive)</i>	\$1,436,264	(\$153,736)	(10)
Suarez & Munoz Construction, Inc. (Hayward)	\$1,476,545	(\$113,455)	(7)
Joseph J. Albanese, Inc. (Santa Clara) <i>(non-responsive)</i>	\$1,518,009	(\$71,991)	(4)
Granite Rock Company (San José)	\$1,567,737	(\$22,263)	(1)
Engineer's Estimate	\$1,590,000	---	---
W.E. Lyons Construction Co. (Walnut Creek)	\$1,665,461	\$75,461	5

Redwood Construction and Equipment, Inc. (Redwood City)	\$1,716,900	\$126,900	8
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The bids submitted by QLM, Inc., ASG Builders, Redgwick Construction Co., Guerra Construction Group, and Joseph J. Albanese, Inc., were deemed non-responsive for failing to provide specific bidder's experience information required by the City.

The low bid submitted by Robert A. Bothman Inc. is 14% under the Engineer's Estimate. Staff considers this reasonable for the work involved. The lower than estimated bid can be attributed to a competitive bidding environment as well as the contractor's familiarity with this type of work.

The contractor has successfully performed work for the City, including several San José park projects. An example of a recent project is the 4211 - Roosevelt Skatepark.

Contingency

San José Municipal Code Section 27.04.050 provides for a standard contingency of 10% on all public works contracts except those involving the renovation of a building or buildings. The standard 10% contingency is appropriate for this Project.

Wage Theft Prevention Policy Check

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on December 7, 2023 and again on December 14, 2023. No wage theft issues were identified.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this Project because the Engineer's Estimate is over \$1.22 million.

Local and Small Business Analysis

The recommended contractor is a local but not a small business enterprise. In addition, European Paving Designs and Bear Electrical Solution are both local business enterprise listed as subcontractors on the Project. European Paving Designs is located in San José and will be providing paver work valued at approximately \$107,000. Bear Electrical Solution is located in Alviso and will be providing electrical work valued at approximately \$135,000.

EVALUATION AND FOLLOW-UP

No additional follow up action with the City Council is expected at this time.

COST SUMMARY/IMPLICATIONS

The total contract award is detailed below for the Project. Source of funding for the Project comes from the Subdivision Park Trust Fund (375) and the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #6 (384). Operating and maintenance impact on the General Fund for this park is being developed and will be a part of the 2025-2029 Five-Year Forecast.

1. TOTAL COST OF PROJECT:

Project Delivery*	\$997,410
Construction	1,365,991
Contingency	136,599
TOTAL PROJECT COSTS	\$2,500,000
Prior Years' Expenditures & Encumbrances	\$203,144
TOTAL REMAINING PROJECT COSTS	\$2,296,856

*Project Delivery includes \$220,213 for design services and bidding and \$777,197 for construction management and inspection services.

2. COST ELEMENTS OF CONTRACT:

Mobilization, Demobilization and Storm Water Controls	178,271
Civil Work and Utility Installation	426,100
Hardscape and Landscape Installation	483,710
Site Furnishings Installation	277,910
TOTAL CONTRACT AMOUNT	\$1,365,991

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contract recommended as part of this memorandum and remaining Project costs, including Project delivery, construction, and contingency costs.

Fund #	Appn #	Appn Name	Total Appn	Amt. for Contract	2023-2024 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
384	432P	Hanchett Park Development	\$2,224,000	\$1,292,991	497	10/17/2023 Ord. No. 30966
375	432P	Hanchett Park Development	\$73,000	\$73,000	497	6/20/2023 Ord. No. 30933

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COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Department of Planning, Building, and Code Enforcement.

PUBLIC OUTREACH

Community meetings were held on April 15, 2021, July 12, 2021, and November 17, 2021, to gather input on the Project. In addition, this memorandum will be posted on the City's Council Agenda website for the March 5, 2024 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER22-071. CEQA Guidelines Section 15303. New Construction or Conversion of Small Structures.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

MATT LOESCH
Director of Public Works

/s/

JON CICIRELLI
Director of Parks, Recreation
and Neighborhood Services

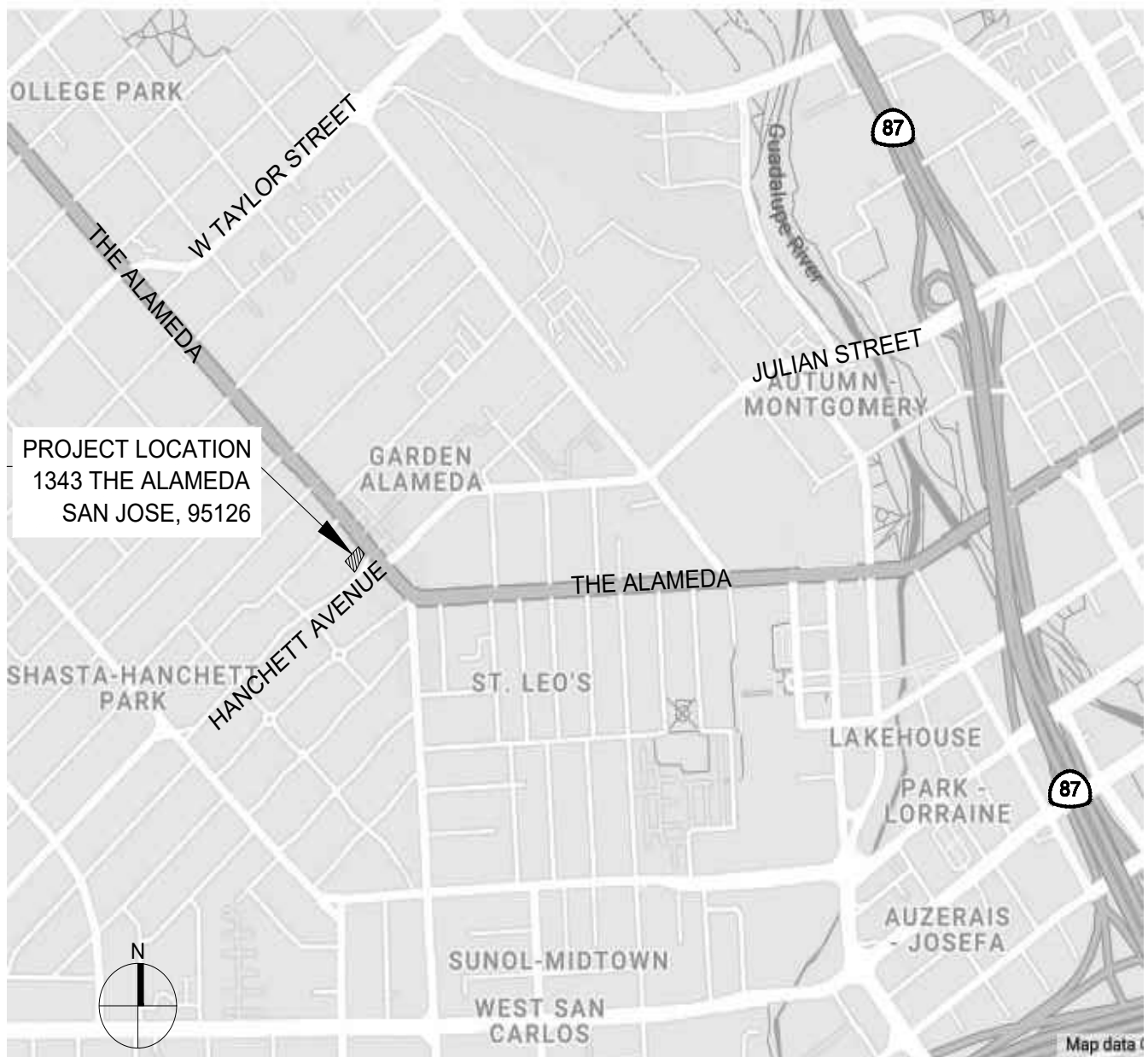
For questions, please contact Sal Kumar, Interim Deputy Director of Public Works, at sal.kumar@sanjoseca.gov or (408) 793-5307.

Attachment: Location Map - 10277 - Park: The Beautiful Way (Hanchett) Park

Attachment Location Map

10277 - PARK: The Beautiful Way (Hanchett) Park

LOCATION MAP



SOURCE: 2023 GOOGLE MAPS